Loss accumulated by regional rural banks

3CG6. SHRI BAIKUNTHA NATH SAHU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Regional Rural Banks have accumulated a loss of Rs. 132.85 crores by the end of December, 1986 and that the loss is mounting since then;

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(b) if so, what action Government is contemplating to remedy the situation, • and

(c) the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRQ): (a) National Bank for Agriculture & Rural Development (NABARD) has reported that the accumulated losses of Regional Rural Banks (RRBs) which stood at Rs, 94.31 erores at the end of December 1986 rose to Rs. 133.10 crores as at the end of December, 1987.

(b) and (c) Government had appointed a 'Working Group on RRBs' to examine in detail the financial and organisational aspects of these institutions and suggest remedial measures. The Working Group suggested a number of measures to strengthen these banks Some of the recommendations of the Working Group which have been accepted and are Under implementation are as under;

(i) Enhancing of paid up capital of the RRBs from existiag Rs. 25 lakhs to Rs. 1 crore in phases;

(ii) Lowering of refinance rate of Sponsor bank from 8.5 per cent to 7 per cent>

(iii) Sponsor Banks were advised to invest in approved securities the surplus funds of RRBs to obtain higher return.

Apart ifrom these financial measures, the Worlting Group also recommended more active involvement of Sponsor banks in the management of Regional Rural Banks. All these measures are expected to improve the financial position of these banks.

Central assistance for forest plantation in tribal areas of Orissa

3067. SHRI BAIKUNTHA NATH SAUH: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state;

(a) whether Central Government have given assistance to the State of Orissa for forest plantation in the tribal areas;

(b) if so, the details of the areas covered thereby; andl

(c) what are the different kinds of plants plnnted in these areas under this centrally sponsored scheme during the last three years?

THE MINISTER OF ENVIRONMENT-AND FORESTS (SHRT Z, R. ANSARI): (a) and (b) Yes, Sir. Central assistance is provided under the Centrally Sponsored Schemes for raising Minor Forest Produce, Establishment of Silvipastura] Farms, Decentralised People's Nurseries and Rural Fuelwood. Plantations. The tribal areas covered are being in the districts of Keonjhar, Kalahandj, Sundargarh, Koraput: Mayurbhanj, Balasore, Sambalpur and Phulbani,

(c) Mainly fuelwood, fodder, fruit and minor forest produce yielding species are being planted^

Demand of coffee growers

3068. SHRI D, B. CHANDRE GOWDA; Will the Minister:of COMMERCE be pleased to State:

(a) whether Government's attention has been drawn to a news-item captioned "Coffee planter's seek help following pact collapse" as reported in the Economic Times of 13th July, 1989;

(b) if so, what Steps Government propose to take to protect the interests of the coffee growers after the collapse ' of the International Coffee agreement; and